SHRI JASWANT SINGH: Sir, as the Leader of the Opposition knows, so far as the listing requirement is concerned, presently, there are two listing percentages, 10 per cent and 25 per cent. As the hon. Leader of the Opposition knows, in the pre-1993 period, if I am not mistaken, there was a different listing requirement, and exemptions not to have the listing percentage was given on an individual basis. Thereafter, in 2001, in consultation with the SEBI, amendments were introduced and we currently have a situation where there is an initial listing requirement of both 10 per cent and, in certain cases, 25 per cent. The hon. Leader of the Opposition's point about not having the floating stock or trading stock, where public trading is being reduced in the process, is a very valid suggestion. The Government will certainly examine it and we will implement it in a proper manner after examining it.

Deposits Insurance Corporation for NBFCs

†*282.SHRI DIPANKAR MUKHERJEE: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether there is any proposal under Government's consideration for dealing with the risks and concerns of the depositors, whose money is held by the Non-Banking Financial Companies; and

(b) whether Government would initiate steps to promote a Deposits Insurance Corporation for the Non-Banking Financial Companies?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) A Statement is placed on the Table of the House.

Statement

(a) A Task Force under the Chairmanship of Shri CM. Vasudev, then Special Secretary (Banking), Government of India, considered various suggestions received from different quarters and in October, 1998 made wide ranging recommendations to deal with the problems of depositors of Non Banking Finance Companies.

---

†Question Nos. 282 and 289 were taken together.

As some of the recommendations required legislative changes, the Government of India, in December, 2000 introduced "The Financial Companies Regulation Bill, 2000", in the Lok Sabha, incorporating the recommendations of the Task Force on NBFCs.The Bill aims at ensuring healthy growth of the NBFC sector and protection of the interest of its depositors.

The Bill has been referred to the Standing Committee on Finance by the Hon'ble Speaker Lok Sabha and is pending with the Committee since 18th December, 2000.

(b) There is no such proposal under consideration of the Government at present.

Committee on NBFCs

†*289. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a Committee was set up in 1998 to go into the adequacy or otherwise of the existing institutional arrangements for the safe return of the money invested by small investors in the Non-Banking Financial Companies (including Residuary Non-Banking Companies);

(b) if so, the details thereof;

(c) whether the Committee has submitted any report and if so, the details thereof; and

(d) what follow-up action, if any, has been taken thereon to protect the interest of the depositors?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (d) A Statement is placed on theTable of the House.

Statement

(a) and (b) A Task Force on Non Banking Finance Companies (NBFCs) under the Chairmanship of Shri CM. Vasudev, the then Special Secretary (Banking), Government of India, considered various suggestions received from different quarters and made wide ranging recommendations in October, 1998, to deal with the redressal of depositors' grievances.

---

†Question Nos. 282 and 289 were taken together.